

Narrative for October 2021 Monthly Reporting Package

The period ending October 31, 2021 represents four months or 33.33% of the fiscal year.

Revenues

- The proposed final budgeted revenues are \$11,918,239 (includes \$2.97m PY carryover)
- Revenues collected to-date are \$8,862,990. This amount represents 74.4% of the total budgeted revenue and in line with budget.
- During the month of October the following receipts were received:

o Local Funds	\$300,879
o Federal	\$134,601
o School Activities	<u>\$993</u>
Total October Receipts	\$436,473

- Material Revenue Outstanding with Expected Date of Receipt:

o Local Revenues	\$1,862,708	Dec 2021
o State Funding	<u>\$630,180</u>	Dec 2021
Total	\$2,492,891	

Expenses

- The proposed final budgeted expenses are \$10,197,909.
- Expenses to-date are \$3,283,011 with outstanding encumbrances of \$131,821, the total of which represents 33.49% of the budgeted expenditures.
- The annual Debt Service of \$764,340 was paid in July. If this amount is normalized over the twelve months of the year expenses are 28.49% year-to-date and in line with budget.

General

- Local Revenue has been finalized.
- State Revenue will be determined after all staff is in place and credentialed.
- The year-end projection for net income is affected by a reduction in students from 625 to 600

Reserves

- The current school reserve accounts held in the state finance system (FSF):

○ Summer Pay Reserve	\$941,468
○ Project Reserve	\$200,000
○ Maintenance/Building Reserve	<u>\$125,000</u>

TOTAL RESERVES \$1,266,468

- In addition to the reserve funds in FSF there is a \$100,000 Repair and Replacement Reserve held by the bond investors.
- Final Budget Reserves are expected to be increased \$101,498 for summer deferred pay and building reserves for a total of \$1,367,966 reducing operating cash and increasing restricted cash.

Operating Surplus/Deficit

- The school began the fiscal year with \$2,216,563 in operating cash and is projecting a fiscal year end cash balance of \$2,049,892 (assuming contingency is not spent) when compared to the updated budget. The preliminary cash deficit generated during the fiscal year is (\$166,671).
- In addition, once teacher credentialing is complete state revenue may increase ~\$30k to \$35k and thus reduce the deficit.
- In the projection the Federal Expansion grant and ESSER funding is projected to be spent down by \$278k and \$636k respectively.
- A tuition tax billing has been sent to DEDOE in the amount of \$241,416.
- If all of the tuition tax bill and credentialing revenue is received there would be positive cash flow for the year of ~ \$109,000 instead of a deficit.